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6th January, 1960.

COCOM Document 3715.26/4B

COORDINATING COMMITTEE

RECORD OF DISCUSSION

ON

ITEM 1526 - COMMUNICATIONS CABLE

15th December 1959

Present: Belgium(Luxembourg), France, Germany, Italy, Japan, Netherlands, United Kingdom, United States.

References: COCOM Docs. Nos. 3700.3, 6 and 9, 3715.00/1, 3715.26/1 - 3 and W.P. 1526/1 - 5.

1. The CHAIRMAN invited the Committee to resume discussion on Item 1526 and drew the attention of delegates to the proposal submitted that day by the United States Delegation in COCOM Doc. No. 3715.26/3.
2. The FRENCH Delegate stated that, before commenting on the technical aspects of the United States proposal, here as with Items 1520 and 1523 the question of principle involved in the choice between the prior consultation procedure and the administrative exceptions system with ex post facto notification should first be settled. The Delegate informed the Committee that there was every reason to suppose that the U.S.S.R. were not trying to make good deficiencies in their industry, or any lack of means for the transport of energy, communications or various cable signalling processes. He was able to affirm that, during recent negotiations in Moscow with a view to signing a trade agreement, the Soviet delegates had been the ones to suggest deleting the "cable" item, in order to counterbalance the difference in exchanges between the two countries brought about by the reduction of the French petroleum products and coal order. The Delegate explained that all types of cable were involved, both that used to transport energy and that used for railway signalling or communications.
3. The UNITED STATES Delegate wished to reply to the comments made by various delegations on the Sino-Soviet Bloc supply position as regards certain items in the communications field. He stressed that the position adopted by his Government was based on an extremely thorough study of a considerable volume of information regarding Sino-Soviet Bloc needs and production. It was this study which had led the United States Government to conclude that the Communist countries were suffering from a critical deficiency. The Delegate believed that it would not be very reasonable to base an analysis of the Bloc's position and of the strategic value of the items concerned on spasmodic exports made by the Bloc or its satellites, since such exports could have many different causes. The Delegate feared that the Committee did not fully appreciate the strategic importance of the items under discussion and, without wishing to doubt the concern of all Member Governments to protect Free World security, the United States Delegation noted that the problem was not approached in the same way by all countries. They would once more stress that their Government believed that the items concerned would constitute a vital contribution to the Sino-Soviet Bloc military potential. Western exports would make an appreciable increase in the Bloc's defence and counter-attack possibilities. This was why the United States Delegation believed that no exports of this equipment should be made to the Sino-Soviet Bloc before all Member Governments had had the opportunity of giving their views in the Committee.
4. The GERMAN Delegate stated that he found it difficult to agree that there was a critical shortage of this equipment in the Sino-Soviet Bloc. The

German Government believed that administrative exceptions would only involve a small fraction of communications equipment and would not therefore entail any security risk. The German Delegation therefore maintained the proposal they had submitted together with the French Delegation and were unable to agree to the United States proposal.

5. The ITALIAN Delegate drew the Committee's attention to sub-paragraph 5 of the United States proposal which referred to the cumulative effect of exports and the possibility of stopping all shipments, installation or servicing arrangements should the Committee deem it necessary. The Delegate believed, for his part, that if an ex post facto notification procedure were applied, the Committee would be in a position to stop all shipments and change from the ex post facto notification procedure to the prior consultation procedure. He wondered whether it would not be possible to consider applying the ex post facto notification procedure already accepted by the majority of the Committee during a trial period, in order to watch the flow of exports made in accordance with the safeguards and conditions laid down in the first part of the United States proposal.

6. The CHAIRMAN noted that, in trying to establish a uniform practice in the application of its controls under Items 1520, 1523 and 1526, the Committee had come up against the same difficulty, viz. choosing between an administrative exceptions procedure accompanied by strict conditions - a formula to which almost all delegations agreed - and the more flexible prior consultation procedure advocated by one delegation who believed that in this particularly delicate sphere each case should be notified to the Committee before final licensing. If it had not been possible to find a solution to the key problem facing the Committee, it had nevertheless been possible to discover a large measure of unanimous agreement as to certain technical characteristics and certain conditions which should help when submitting and considering exception requests. The Chairman asked if the Committee wished to set a date for the resumption of discussion and himself felt that some time should be allowed for Member Governments to re-examine the matter in the light of the latest discussions.

7. The FRENCH, GERMAN, ITALIAN, NETHERLANDS and UNITED KINGDOM Delegates wanted to resume discussion on the 11th or 18th January.

8. The UNITED STATES Delegate believed it preferable to resume discussion only if Governments were certain that there was a possibility of reaching agreement beforehand, since, in his view, there was nothing more to say on these items. In the United States, the question had been studied at the highest level and he had no reason to believe that his Government would be willing to change their present views. He therefore suggested that the Committee recognise that no agreement had been possible on a new definition and that the existing definition remained unchanged.

9. The FRENCH Delegate, in reply to his United States colleague's last statement, said that the present discussion had introduced new factors which appeared to meet with the agreement of the large majority of the Committee. He therefore urged the United States Delegation to transmit to their Government the desire of other delegations to re-examine the matter.

10. The BELGIAN, GERMAN, ITALIAN, JAPANESE and NETHERLANDS Delegates concurred in the French Delegate's remarks and stressed that if further concessions were made on both sides, the Committee might be able to set up a system of ex post facto notification on the basis of certain elements in part 5 of the United States proposal.

11. The UNITED STATES Delegate said that, with respect to items as important as this his Government felt that all Member Governments should be interested in exposing contemplated exports of any equipment covered by the embargo to all the information and advice that other Member Governments might be able to offer.

12. After a further exchange of views, the COMMITTEE agreed to resume discussion on the 25th January, 1960.